

Report Documentation Page				Form Approved OMB No. 0704-0188	
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE APR 2009		2. REPORT TYPE		3. DATES COVERED 00-00-2009 to 00-00-2009	
4. TITLE AND SUBTITLE Acquisition Workforce. Additional Actions and Data Needed for DOD to Improve Its Management and Oversight				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) U.S. Government Accountability Office, 441 G Street NW, Washington, DC, 20548				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT Same as Report (SAR)	18. NUMBER OF PAGES 20	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			



Highlights of [GAO-09-616T](#), a testimony before the subcommittee on Oversight and Investigations, Committee on Armed Services, House of Representatives

Why GAO Did This Study

Since 2001, Department of Defense's (DOD) spending on goods and services has more than doubled to \$388 billion in 2008, while the number of civilian and military acquisition personnel has remained relatively stable. To supplement its in-house workforce, DOD relies heavily on contractor personnel. If it does not maintain an adequate workforce, DOD places its billion-dollar acquisitions at an increased risk of poor outcomes and vulnerability to fraud, waste, and abuse.

This testimony is based on GAO's March 2009 report and addresses DOD's efforts to assess the sufficiency of the total acquisition workforce and to improve its management and oversight of that workforce. It also discusses selected practices of leading organizations that may provide DOD with insights for its efforts.

What GAO Recommends

In its March 2009 report, GAO recommended the Secretary of Defense, among other things, collect data on contractor personnel and identify the total acquisition workforce that the department needs to meet its missions. DOD concurred with three of the recommendations and noted that implementing the other requires careful consideration.

View [GAO-09-616T](#) or key components. For more information, contact John K. Needham at (202) 512-5274 or needhamjk1@gao.gov.

ACQUISITION WORKFORCE

Additional Actions and Data Needed for DOD to Improve Its Management and Oversight

What GAO Found

Although contractor personnel are a key segment of its total acquisition workforce, DOD lacks critical departmentwide information on the use and skill sets of these personnel. DOD also lacks information on why contractor personnel are used, which limits its ability to determine whether decisions to use contractors to supplement the in-house acquisition workforce are appropriate. GAO found that program office decisions to use contractor personnel are often driven by factors such as quicker hiring time frames and civilian staffing limits, rather than by the nature or criticality of the work. In comparison with DOD's practices, leading organizations maintain and analyze data on their contractor personnel and take a business-oriented approach to determining when to use contractor support.

Personnel in Acquisition-Related Functions as Reported by Selected Program Offices in 2008

Organization (number of program offices)	Total (military, civilian, and contractor personnel)	Contractor personnel	
		Number	Percentage of total
Air Force (19)	1,549	467	30
Army (12)	1,723	373	22
Navy and Marine Corps (18)	2,374	940	40
Joint Programs (9)	1,460	688	47
Missile Defense Agency (8)	1,656	809	49
Total (66)	8,762	3,277	37

Source: GAO analysis of DOD data.

DOD also lacks key pieces of information that limit its ability to determine gaps in the acquisition workforce it needs to meet its missions. In addition to lacking information on contractor personnel, DOD lacks complete information on the skill sets of its in-house personnel. DOD also lacks information on the acquisition workforce it needs to meet its mission. Not having this information not only skews analyses of workforce gaps, but also limits DOD's ability to make informed workforce allocation decisions and determine whether the total acquisition workforce—in-house and contractor personnel—is sufficient to accomplish its mission. In comparison with DOD's practices, leading organizations identify gaps in the workforce by assessing the competencies of their workforces and comparing those with the overall competencies the organization needs to achieve its objectives.

DOD recently initiated several efforts aimed at improving the management and oversight of its acquisition workforce, such as plans for overseeing additional hiring, recruiting, and retention activities. DOD is also planning to increase its in-house acquisition workforce by converting 11,000 contractor personnel to government positions and hiring an additional 9,000 government personnel by 2015. The success of DOD's efforts to improve the management and oversight of its acquisition workforce, however, may be limited without comprehensive information on the acquisition workforce it has and needs.

Mister Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the Department of Defense's (DOD) acquisition workforce, which is responsible for planning, executing, and supporting DOD's acquisitions. Over the past several years, changes in the federal acquisition environment have created significant challenges to building and sustaining a capable acquisition workforce. From fiscal years 2001 to 2008, DOD's spending on goods and services more than doubled to \$388 billion, and the number of weapon system programs has also grown. Despite this substantial increase, the number of civilian and military personnel in DOD's acquisition workforce has remained relatively stable. To supplement its in-house acquisition workforce, DOD relies heavily on contractor personnel.

Both GAO and DOD have noted that without an adequate workforce to manage the department's billion-dollar acquisitions, there is an increased risk of poor acquisition outcomes and vulnerability to fraud, waste, and abuse. Today I will discuss the limitations of DOD's assessment of the sufficiency of its total acquisition workforce and highlight some recent DOD efforts to improve the management and oversight of that workforce. I will also discuss selected practices of leading organizations that may provide DOD with insights for its efforts. I will conclude with some observations on what further actions the department should take to address these challenges.

This testimony is based primarily on our recent report *Department of Defense: Additional Actions and Data Are Needed to Effectively Manage and Oversee DOD's Acquisition Workforce*,¹ as well as other prior GAO products. We also conducted additional analyses on data we obtained during our recent review of DOD's acquisition workforce management and on updated data we obtained from DOD. This work was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

¹ GAO, *Department of Defense: Additional Actions and Data Are Needed to Effectively Manage and Oversee DOD's Acquisition Workforce*, [GAO-09-342](#) (Washington, D.C.: Mar. 25, 2009).

Background

At the end of fiscal year 2008, the number of civilian and military personnel in DOD's acquisition workforce totaled nearly 126,000—of which civilian personnel comprised 88 percent.² DOD defines its acquisition workforce to include 13 career fields, based on the Defense Acquisition Workforce Improvement Act of 1990.³ From fiscal years 2001 to 2008, the number of civilian and military acquisition personnel in these 13 fields declined overall by 2.6 percent; however, some career fields have increased substantially—test and evaluation—while others have shown dramatic declines—business, cost estimating and financial management.. See appendix I for the number of military and civilian personnel in each of the acquisition career fields in fiscal years 2001 and 2008, and the percentage change between those years.

Our prior work has shown that DOD has relied heavily on contractor personnel to augment its in-house workforce. In March 2008, we reported that in 15 of the 21 offices we reviewed, contractor personnel outnumbered DOD personnel and comprised as much as 88 percent of the workforce.⁴ In the other 6 offices, contractor personnel comprised between 19 and 46 percent of the workforce. Although this review did not focus on the acquisition workforce, many of the 21 offices had acquisition responsibilities.

While use of contractors provides the government certain benefits, such as increased flexibility in fulfilling immediate needs, we and others have raised concerns about the federal government's services contracting, in particular for professional and management support services, including acquisition support services. In March 2008, we noted concern about one DOD component's hiring contractor personnel in reaction to a shortfall in the government workforce rather than as a planned strategy to help achieve its mission.⁵ In our case study, we found that one Army component was paying between 17 and 27 percent more on average for

² DOD's acquisition workforce count does not include other contributors to acquisition, such as contracting officer representatives, and nongovernmental contributors, such as contractor personnel.

³ Defense Acquisition Workforce Improvement Act of 1990, Pub. L. No. 101-510, § 1202(a) (1990).

⁴ GAO, *Defense Contracting: Additional Personal Conflicts of Interest Safeguards Needed for Certain DOD Contractor Employees*, [GAO-08-169](#) (Washington, D.C.: Mar. 7, 2008).

⁵ GAO, *Defense Contracting: Army Case Study Delineates Concerns with Use of Contractors as Contract Specialists*, [GAO-08-360](#) (Washington, D.C.: Mar. 26, 2008).

contractor personnel working as contract specialists than for its government employees who were doing equivalent work.

In addition to the risk of paying more than necessary for the work that it needs, is the risk of loss of government control over and accountability for mission-related policy and program decisions when contractors provide services that closely support inherently governmental functions, which require discretion in applying government authority or value judgments in making decisions for the government. The closer contractor services come to supporting inherently governmental functions, the greater the risk of their influencing the government's control over and accountability for decisions that may be based, in part, on contractor work. Other concerns about using contractor personnel include improper use of personal services contracts⁶ and the increased potential for conflicts of interest, both organizational and personal.⁷

Numerous components in DOD share policy and guidance responsibility for the workforce. Among the components, the Office of the Under Secretary for Acquisition, Technology and Logistics (AT&L), is responsible for managing DOD's acquisition workforce, including tailoring policies and guidance specific to the acquisition workforce and managing the training and certification of that workforce. In addition, each military service has its own corresponding acquisition offices that develop additional service-specific guidance, and provide management and oversight of its workforce. Within each service, the program offices identify acquisition workforce needs, make decisions regarding the composition of the workforce (the mix of civilian, military, and contractor personnel), and provide the day-to-day management of the workforce.

⁶ [GAO-08-360](#). The *Federal Acquisition Regulation* generally prohibits the use of personal services contracts because of the employer-employee relationship they create between the government and contractor personnel.

⁷ Personal conflicts of interest can occur when contractor personnel can materially influence DOD's recommendations and/or decisions and, because of his/her personal activities, relationships, or financial interests, may lack or appear to lack objectivity or appear to be unduly influenced by personal financial interest. Organizational conflicts of interest can occur when a defense contractor has present or currently planned interests that either directly or indirectly relate to the work to be performed under a DOD contract and (1) may diminish its capacity to give impartial, technically sound, objective assistance or advice, or (2) may result in it having an unfair competitive advantage.

AT&L Lacks Comprehensive Information on the Use of Contractor Personnel in Its Acquisition Workforce

DOD lacks critical departmentwide information on the use and skill sets of contractor personnel performing acquisition-related functions. While DOD planning documents state that the workforce should be managed from a “total force” perspective—which calls for contractor personnel to be managed along with civilian and military personnel⁸—DOD has only recently collected departmentwide data on contractor personnel⁹ performing acquisition-related functions. According to an AT&L official, DOD’s baseline count shows that 52,000 contractor personnel are supporting the acquisition workforce. As such, contractor personnel comprise about 29 percent of DOD’s total acquisition workforce. The AT&L official noted that the contractor personnel tracking system is still under development.

Data we obtained from 66 program offices show that contractor personnel comprised more than a third of those programs’ acquisition-related positions.¹⁰ Table 1 shows the data on contractor personnel reported by the 66 program offices (see appendix II for more detailed information).

⁸ DOD, *Civilian Human Capital Strategic Plan 2006-2010 and Quadrennial Defense Review Report* (Feb. 6, 2006).

⁹ Although university and Federally Funded Research and Development Center personnel are retained by DOD through contracts, for purposes of this report, we do not include them as contractor personnel because DOD tracks them separately.

¹⁰ For the purposes of this report, we defined acquisition-related functions to be those related to planning, executing, and supporting DOD’s acquisitions, including: program management; business functions, such as auditing, business, cost estimating, financial management, property management, and purchasing; contracting; and engineering and technical, including systems planning, research, development and engineering, life-cycle logistics, test and evaluation, production, quality and manufacturing, and facilities engineering.

Table 1: Total and Contractor Personnel in Acquisition-Related Functions by Service as Reported by Selected Program Offices in 2008

Organization (number of program offices)	Total (military, civilian, and contractor personnel)	Contractor personnel	
		Number	Percentage of total
Air Force (19)	1,549	467	30
Army (12)	1,723	373	22
Navy and Marine Corps (18)	2,374	940	40
Joint Programs ^a (9)	1,460	688	47
Missile Defense Agency (8)	1,656	809	49
Total (66)	8,762	3,277	37

Source: GAO analysis of DOD data.

^aJoint Programs can be staffed by personnel from multiple services.

DOD also lacks information on factors driving program offices' decisions to use contractor personnel rather than hire in-house personnel. DOD guidance for determining the workforce mix outlines the basis on which officials should make decisions regarding what type of personnel—military, civilian, or contractor—should fill a given position.¹¹ The guidance's primary emphasis is on whether the work is considered to be an inherently governmental function, not on whether it is a function that is needed to ensure institutional capacity.¹²

The guidance also states that using the least costly alternative should be an important factor when determining the workforce mix.¹³ However, when we asked program offices about their reasons for using contractor rather than civilian personnel, we found that cost was cited by only 1

¹¹ Department of Defense Instruction 1100.22, *Guidance for Determining Workforce Mix*, paragraph 1.1 (Apr. 6, 2007).

¹² Inherently governmental functions are so intimately related to the public interest that they should only be performed by government personnel. These functions include those activities which require either the exercise of discretion in applying government authority or making value judgments in making decisions for the government. Federal Acquisition Regulation 2.101.

¹³ Department of Defense Directive 1100.4, *Guidance for Manpower Management*, paragraph 3.2.3 (Feb. 12, 2005); Department of Defense Instruction 1100.2, *Guidance for Determining Workforce Mix*, paragraph 4 (Apr. 6, 2007).

program office. The 30 program offices, which provided reasons for using contractor personnel, cited the following key factors:

- 22 cited a shortage of civilian personnel with a particular expertise,
- 18 cited staffing limits on civilian personnel,
- 17 cited that the particular expertise sought is generally not hired by the government,
- 15 cited the ease or speed of bringing on contractor personnel,
- 9 cited having a short-term requirement,
- 8 cited funding not being available for civilian personnel, and
- 1 cited the cost of contractor personnel being less than civilian personnel

(See appendix III for information on the number of program offices reporting the reasons for using contractor personnel by component.)

In comparison with DOD's practices, we found that leading organizations maintain and analyze data on their contractor personnel in order to mitigate risks, ensure compliance with in-house regulations and security requirements, and ensure that reliance on contractor personnel creates value for the company. We also found that leading organizations take a business-oriented approach to determining when to use contractor support. For example, some companies generally use contractor personnel to facilitate flexibility and meet peak work demands without hiring additional, permanent, full-time employees. Some also place limits on their use of contractor personnel, such as limiting the use of contractor personnel to temporary support, to 1 year of operations, or to functions that are not considered as core pieces of the company's main business.

AT&L Lacks Key Pieces of Information Necessary to Conduct Workforce Gap Analyses

AT&L lacks key pieces of information that hinder its ability to determine gaps in the number and skill sets of acquisition personnel needed to meet DOD's current and future missions. At a fundamental level, workforce gaps are determined by comparing the number and skill sets of the personnel that an organization has with what it needs. However, AT&L lacks information on both what it has and what it needs. Not having this information in its assessments not only skews analyses of workforce gaps, but also limits DOD's ability to make informed workforce allocation decisions.

With regard to information on the personnel it has, AT&L lacks complete information on the skill sets of the current acquisition workforce—including contractor personnel—and whether these skill sets are sufficient

to accomplish its missions. AT&L is currently conducting a competency assessment to identify the skill sets of its current in-house acquisition workforce. While this assessment will provide useful information regarding the skill sets of the current in-house acquisition workforce, it is not designed to determine the size, composition, and skill sets of an acquisition workforce needed to meet the department's missions.

AT&L also lacks complete information on the acquisition workforce needed to meet DOD's mission. The personnel numbers that AT&L uses to reflect needs are derived from the budget. Because these personnel numbers are constrained by the size of the budget, they likely do not reflect the full needs of acquisition programs. Of the 66 program offices that provided data to us, 13 reported that their authorized personnel levels were lower than those they requested.

In comparison with DOD's practices, we found that leading organizations identify gaps in the workforce by assessing the competencies of its workforce and comparing those with the overall competencies the organization needs to achieve its objectives. An official from one company noted that such an assessment indicated that the company needed skill sets different from those it needed in the past, because the work in one of its lines of service had increased.

Recent Workforce Initiatives May Not Yield the Additional Information DOD Needs

AT&L has begun to respond to recent legislative requirements aimed at improving DOD's management and oversight of its acquisition workforce, including developing data, tools, and processes to more fully assess and monitor its acquisition workforce. Some of AT&L's recent initiatives include:¹⁴

- Drafting an addendum to the *Implementation Report for the DOD Civilian Human Capital Strategic Plan 2006-2010* that will lay out AT&L's vision and key initiatives for managing and overseeing the acquisition workforce and an analysis of the status of the acquisition workforce.¹⁵

¹⁴ See [GAO-09-342](#) for information on additional AT&L initiatives.

¹⁵ The National Defense Authorization Act for Fiscal Year 2008 required DOD to issue this addendum. See Pub. L. No. 110-181, § 851 (2008).

-
- Implementing the Acquisition Workforce Development Fund, with efforts focused in three key areas: (1) recruiting and hiring, (2) training and development, and (3) retention and recognition.¹⁶ The largest proportion of the fund is currently slated for recruiting and hiring.
 - Developing a competency assessment for the acquisition workforce, which is scheduled to be completed in March 2010.
 - Establishing the Defense Acquisition Workforce Joint Assessment Team. According to an AT&L official, the team will now focus its efforts on identifying, tracking, and reporting information on contractor personnel supporting the acquisition workforce—including developing a common definition to be used across the department.

The Secretary of Defense recently announced that efforts will begin in fiscal year 2010 to increase the size of the acquisition workforce by converting 11,000 contractor personnel to government positions and hiring an additional 9,000 government personnel by 2015. According to an AT&L official, AT&L is working with the components to develop the plans for these efforts.

In addition to these acquisition workforce initiatives, another DOD initiative aimed at improving the broader workforce may have the potential to enhance AT&L's efforts to obtain information on the skill sets of contractor personnel supporting the acquisition workforce. Specifically, DOD, through its components, is developing an annual inventory of contracts for services. The inventory is required to include, among other things, information identifying the missions and functions performed by contractors, the number of full-time contractor personnel equivalents, and the funding source for the contracted work. The Army issued its first inventory for fiscal year 2007. This initial inventory, however, does not include information on the skill sets of contractor personnel and the functions they perform. Inventories for all DOD components are not scheduled to be completed before June 2011.

¹⁶ The National Defense Authorization Act for Fiscal Year 2008 required DOD to establish and fund the Acquisition Workforce Development Fund. See Pub. L. No. 110-181, § 852; 10 U.S.C. § 1705. The fund is financed by an amount equivalent to a portion of the military services' and defense agencies' expenditures for certain types of service contracts.

Although these efforts are promising, it is too early to determine the extent to which these efforts will improve the department's management and oversight. Moreover, these efforts may not provide the comprehensive information DOD needs to manage and oversee its acquisition workforce.

Concluding Observations

DOD faces significant challenges in assessing and overseeing its acquisition workforce to ensure that it has the capacity to acquire needed goods and services and monitor the work of contractors. While DOD's recent and planned actions could help address many of these challenges, the department has yet to determine the acquisition workforce that it needs or develop comprehensive information about contractor personnel—including the skill sets, functions performed, or length of time for which they are used. In addition, without guidance on the appropriate circumstances under which contractor personnel may perform acquisition work, DOD runs the risk of not maintaining sufficient institutional capacity to perform its missions, paying more than necessary for the work that it needs, or losing control over and accountability for mission-related policy and program decisions. Until DOD maintains more comprehensive information on its contractor personnel, it will continue to have insufficient information regarding the range of skills and the functions performed by this key component of the acquisition workforce. Without having this information on a departmentwide basis, DOD runs the risk of not having the right number and appropriate mix of civilian, military, and contractor personnel it needs to accomplish its missions.

In our report released March 25, 2009, we made several recommendations to the Secretary of Defense to better ensure that DOD's acquisition workforce is the right size with the right skills and that the department is making the best use of its resources. We recommended that the Secretary:

- Collect and track data on contractor personnel who supplement the acquisition workforce—including their functions performed, skill sets, and length of service—and conduct analyses using these data to inform acquisition workforce decisions.
- Identify and update on an ongoing basis the number and skill sets of the total acquisition workforce that the department needs to fulfill its mission.
- Review and revise the criteria and guidance for using contractor personnel to clarify under what circumstances and the extent to which it is appropriate to use contractor personnel to perform acquisition-related functions.

-
- Develop a tracking mechanism to collect information on the reasons contractor personnel are being used so that DOD can determine whether the guidance has been appropriately implemented across the department.

We are pleased that DOD has implemented part of the first recommendation by collecting departmentwide data on the number of contractor personnel that support the acquisition workforce. We are encouraged by DOD generally concurring with the rest of our recommendations, although the department noted that collecting information on the skill sets and length of service of contractor personnel needed to be carefully considered. We agree that the manner in which data on contractor personnel are to be collected should continue to be carefully considered. Nevertheless, we continue to believe that comprehensive data on contractor personnel are needed to accurately identify the department's acquisition workforce gaps and inform its decisions on the appropriate mix of in-house or contractor personnel. As DOD moves forward with its recently announced plans to increase the size of the acquisition workforce over the next few years, having comprehensive information about the acquisition workforce it both has and needs will become even more vital to ensure the department makes the most effective workforce decisions.

Mister Chairman, this concludes my prepared remarks. I would be happy to answer any questions you or other Members of the Subcommittee may have at this time.

Appendix I: Department of Defense In-house Acquisition Workforce by Career Fields

DOD Acquisition Workforce—Military and Civilian Personnel for Fiscal Years 2001 and 2008

Acquisition workforce by functional career field	Fiscal year 2001	Fiscal year 2008	Percentage change fiscal years 2001 to 2008
Program Management	14,031	12,781	-8.9 %
Contracting	25,413	26,680	1.1
Industrial/Contract Property Management	620	451	-27.3
Purchasing	4,121	1,196	-71.0
Facilities Engineering	0	4,920	n/a
Production Quality and Manufacturing	10,547	9,138	-13.4
Business, Cost Estimating and Financial Management	10,279	7,085	-31.1
Life Cycle Logistics	11,060	13,361	20.8
Information Technology	5,612	3,934	-29.9
System Planning, Research, Development and Engineering—Systems Engineering	34,899	34,537	-1.0
System Planning, Research, Development and Engineering—Science and Technology Manager	0	480	n/a
Test and Evaluation	5,113	7,420	45.1
Auditing	3,457	3,638	5.2
Unknown/Other	4,097	1,258	-69.3
Total	129,249	125,879	-2.6

Source: DOD data.

Appendix II: Department of Defense Personnel by Type and Function for Selected Program Offices

Military, Civilian, and Contractor Personnel in Acquisition-Related Functions by Service as Reported by Selected Program Offices in 2008

Type of personnel by Function	Air Force (19 program offices)	Army (12 program offices)	Navy (18 program offices) ^a	Joint services (9 program offices) ^b	Missile Defense Agency (8 program offices)	Total (66 program offices) ^c
Program Management						
Military	142	146	37	35	33	393
Civilian	63	88	93	56	31	331
Contractor	99	42	43	53	8	245
University/FFRDC ^d	4	0	1	6	3	14
Business (includes auditing, business, cost estimating, financial management, property management, and purchasing)						
Military	17	0	9	8	8	42
Civilian	69	135	150	42	54	450
Contractor	79	45	82	92	109	407
University/FFRDC	1	0	11	3	2	17
Contracting						
Military	13	2	1	4	1	21
Civilian	75	115	52	57	53	352
Contractor	23	5	11	18	16	73
University/FFRDC	1	0	0	0	0	1
Engineering and Technical (includes systems planning, research, development and engineering; lifecycle logistics; test and evaluation; production, quality and manufacturing; and facilities engineering)						
Military	125	40	136	100	72	473
Civilian	150	784	901	325	421	2,581
Contractor	266	281	804	525	677	2,552
University/FFRDC	422	40	44	136	169	811
Totals						
Military	297	188	183	147	114	929
Civilian	357	1,122	1,196	480	559	3,714
Contractor	467	373	940	688	809	3,277
University/FFRDC	428	40	56	145	174	843
Grand Total	1,549	1,723	2,374	1,460	1,656	8,762

Source: GAO analysis of DOD data.

^aNavy includes one Marine Corps program office.

^bJoint Programs can be staffed by personnel from multiple services.

^cProgram offices reported additional administrative and other staff that we excluded from this table, as they would not be considered part of the acquisition workforce.

^dFFRDC personnel work in Federally Funded Research and Development Centers.

Appendix III: Department of Defense Reasons for Using Contractor Personnel in Selected Program Offices

Number of Program Offices Reporting Reason for Using Contractor Personnel as Reported by Selected Program Offices in 2008

	Air Force (10 program offices)	Army (3 program offices)	Navy and Marine Corps (5 program offices)	Joint services (4 program offices) ^a	Missile Defense Agency (8 program offices)	Total (30 program offices)
Ease or speed of bringing on contractor personnel (compared with hiring civilians)	2	3	3	2	5	15
Funding not available in budget accounts used for civilian personnel	4	0	2	1	1	8
Overall staffing limits on civilian personnel	8	3	3	2	2	18
Expertise does not exist—specialized skill/not generally hired	5	1	4	2	5	17
Expertise does not exist—shortage of civilian personnel with this expertise	6	2	4	3	7	22
Short-term requirement	0	2	4	2	1	9
Cost of contractor personnel less than civilian personnel	0	1	0	0	0	1

Source: GAO analysis of DOD data.

^aJoint Programs can be staffed by personnel from multiple services.

GAO Contact and Staff Acknowledgments

John K. Needham, (202) 512-5274 or needhamjk1@gao.gov

In addition to the contact named above, Carol Dawn Petersen, Assistant Director, and Ruth “Eli” DeVan, Analyst-in-Charge, made key contributions to this report.

Related GAO Products

Department of Defense: Additional Actions and Data Are Needed to Effectively Manage and Oversee DOD's Acquisition Workforce. [GAO-09-342](#). Washington, D.C.: March 25, 2009.

Human Capital: Opportunities Exist to Build on Recent Progress to Strengthen DOD's Civilian Human Capital Strategic Plan. [GAO-09-235](#). Washington, D.C.: February 10, 2009.

High Risk Series: An Update. [GAO-09-271](#). Washington, D.C.: January 2009.

Department of Homeland Security: A Strategic Approach Is Needed to Better Ensure the Acquisition Workforce Can Meet Mission Needs. [GAO-09-30](#). Washington, D.C.: November 19, 2008.

Human Capital: Transforming Federal Recruiting and Hiring Efforts. [GAO-08-762T](#). Washington, D.C.: May 8, 2008.

Defense Contracting: Army Case Study Delineates Concerns with Use of Contractors as Contract Specialists. [GAO-08-360](#). Washington, D.C.: March 26, 2008.

Defense Management: DOD Needs to Reexamine Its Extensive Reliance on Contractors and Continue to Improve Management and Oversight. [GAO-08-572T](#). Washington, D.C.: March 11, 2008.

Defense Contracting: Additional Personal Conflict of Interest Safeguards Needed for Certain DOD Contractor Employees. [GAO-08-169](#). Washington, D.C.: March 7, 2008.

Federal Acquisition: Oversight Plan Needed to Help Implement Acquisition Advisory Panel's Recommendations. [GAO-08-515T](#). Washington, D.C.: February 27, 2008.

The Department of Defense's Civilian Human Capital Strategic Plan Does Not Meet Most Statutory Requirements. [GAO-08-439R](#). Washington, D.C.: February 6, 2008.

Defense Acquisitions: DOD's Increased Reliance on Service Contractors Exacerbates Long-standing Challenges. [GAO-08-621T](#). Washington, D.C.: January 23, 2008.

Department of Homeland Security: Improved Assessment and Oversight Needed to Manage Risk of Contracting for Selected Services. [GAO-07-990](#). Washington, D.C.: September 17, 2007.

Federal Acquisitions and Contracting: Systemic Challenges Need Attention. [GAO-07-1098T](#). Washington, D.C.: July 17, 2007.

Defense Acquisitions: Improved Management and Oversight Needed to Better Control DOD's Acquisition of Services. [GAO-07-832T](#). Washington, D.C.: May 10, 2007.

Highlights of a GAO Forum: Federal Acquisition Challenges and Opportunities in the 21st Century. [GAO-07-45SP](#). Washington, D.C.: October 2006.

Framework for Assessing the Acquisition Function At Federal Agencies. [GAO-05-218G](#). Washington, D.C.: September 2005.

A Model of Strategic Human Capital Management. [GAO-02-373SP](#). Washington, D.C.: March 15, 2002.

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site (www.gao.gov). Each weekday afternoon, GAO posts on its Web site newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to www.gao.gov and select "E-mail Updates."

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's Web site, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: www.gao.gov/fraudnet/fraudnet.htm

E-mail: fraudnet@gao.gov

Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Ralph Dawn, Managing Director, dawnr@gao.gov, (202) 512-4400
U.S. Government Accountability Office, 441 G Street NW, Room 7125
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548

